



**Isle of Wight**  
*County Schools*

PREPARING STUDENTS FOR EXCELLENCE IN THE 21ST CENTURY

**FY 14**  
**Operating Budget**  
**Community Meetings**

**March 5, 2013**  
**March 7, 2013**



# Fiduciary Responsibilities

- The School Board has special requirements and duties based on the Statutes of Virginia: Article 8 – Section 7 of the Constitution of Virginia

- School Board:

- **§ 22.1-79. Powers and duties:**

See that the school laws are properly explained, enforced and observed

- **§ 22.1-92. Estimate of moneys needed for public schools; notice of costs to be distributed**

It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in § [15.2-2503](#), the estimate of the amount of **money deemed to be needed during the next fiscal year for the support of the public schools of the school division.** The estimate shall set up the amount of money deemed to be needed for each major classification prescribed by the Board of Education and such other headings or items as may be necessary.



## **FY14 Focus**

**Provide Rigorous 21<sup>st</sup> Century Instruction**



**Increase Technology Access & Update Infrastructure**



**Ensure Safe & Secure Learning Environment**





# **Provide Rigorous 21<sup>st</sup> Century Instruction**

- **Increase student achievement**
- **Meet new SOL challenges (Rigor/TEI)**
- **Ensure best instructional practices (PD)**
- **Reinstitute cyclical adoption of learning resources (Science)**
- **Equitable allocation of instructional funding**





# Increase Technology Access & Update Infrastructure

- **Expand availability of technology in elementary/middle schools**
- **Update/replace/maintain aging technology infrastructure**
- **Assure secure oversight/operation of online resources**





# **Provide Safe & Secure Learning Environments**

## **Technology:**

- **Enhance security hardware/infrastructure**

## **Transportation:**

- **Maintain safe and secure modes of transportation**

## **Maintenance:**

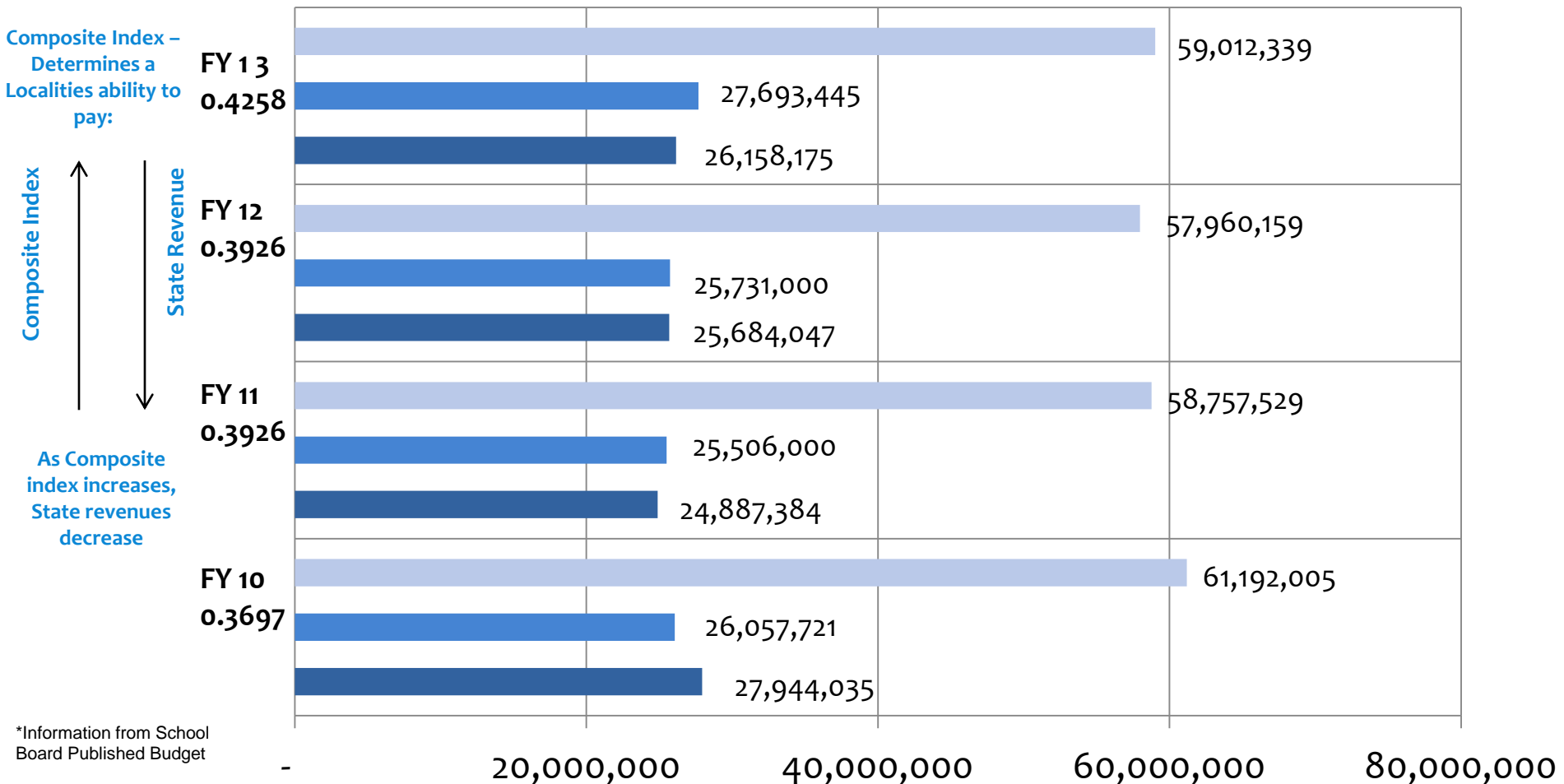
- **Address needs of aging buildings**





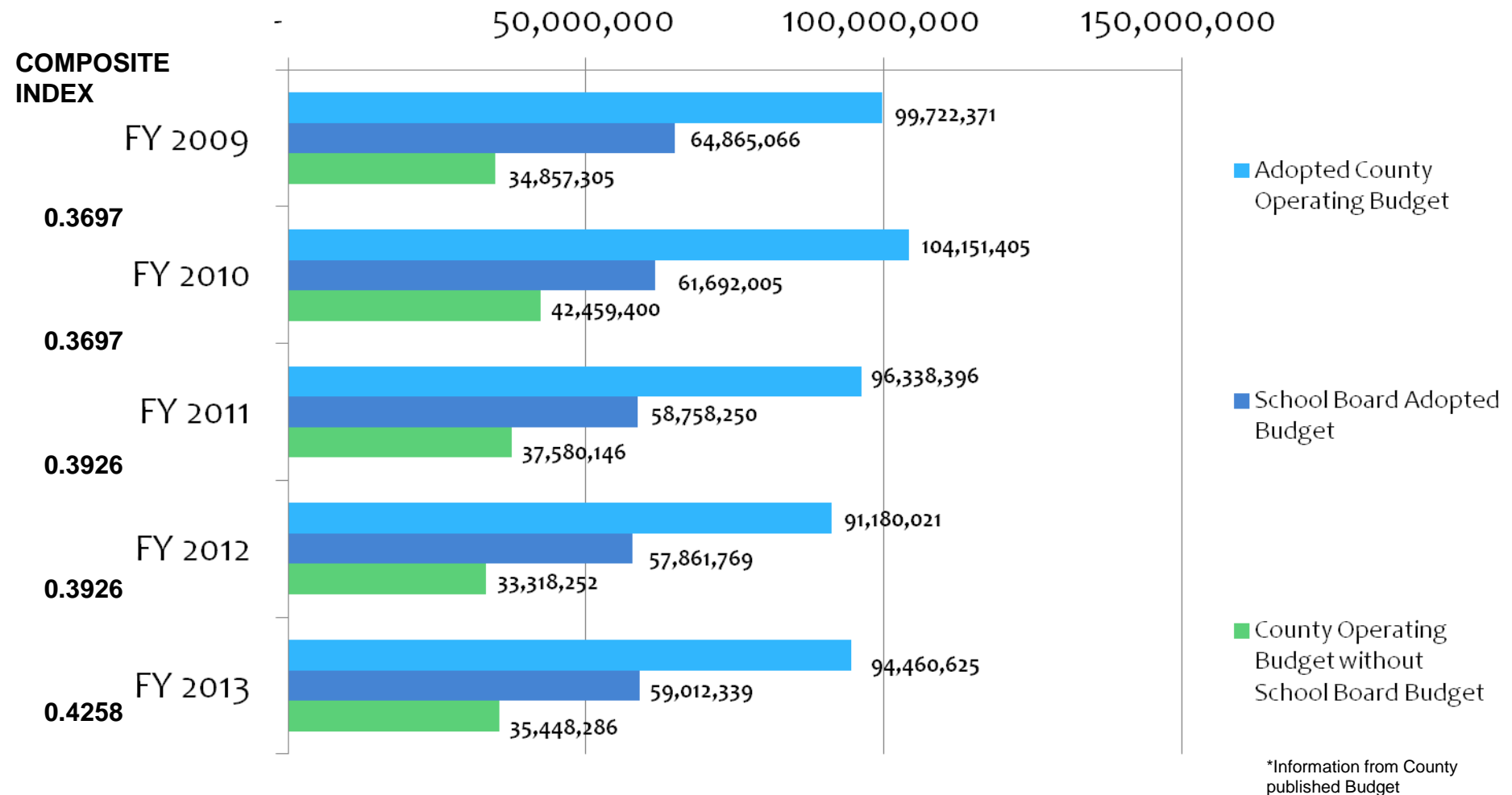
# Historical Funding

■ Total Budget - All funding Sources ■ Local Funding ■ State Funding





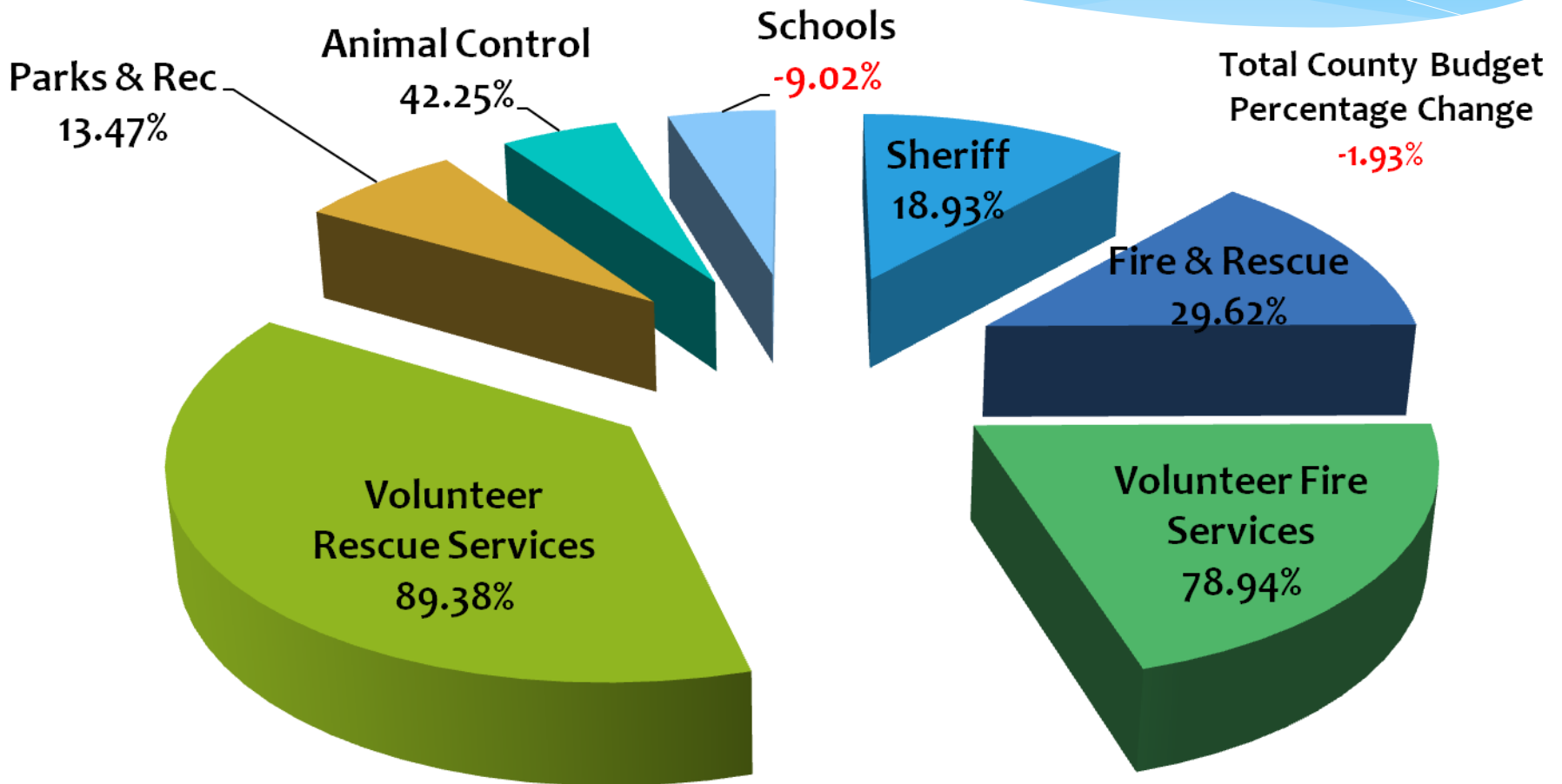
# Historical County Funding







# Historical County Percentage Change between FY 09 & FY 13



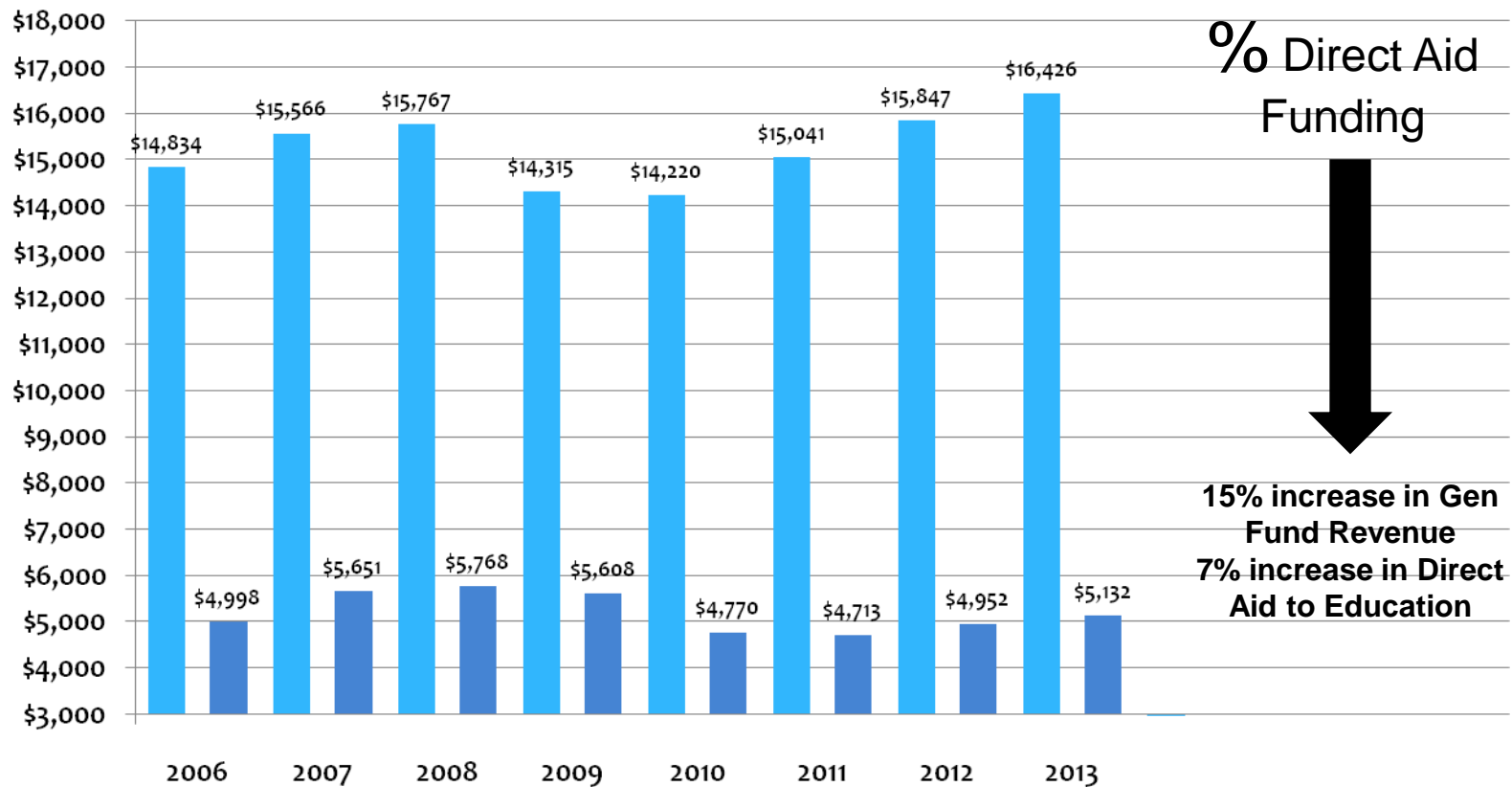


# State Revenues

■ General Fund Revenue

■ Direct Aid to Public Education

State Revenue Performance:  
(\$ in millions)



\*\* Information presented at the Senate Finance Committee retreat in November of 2012

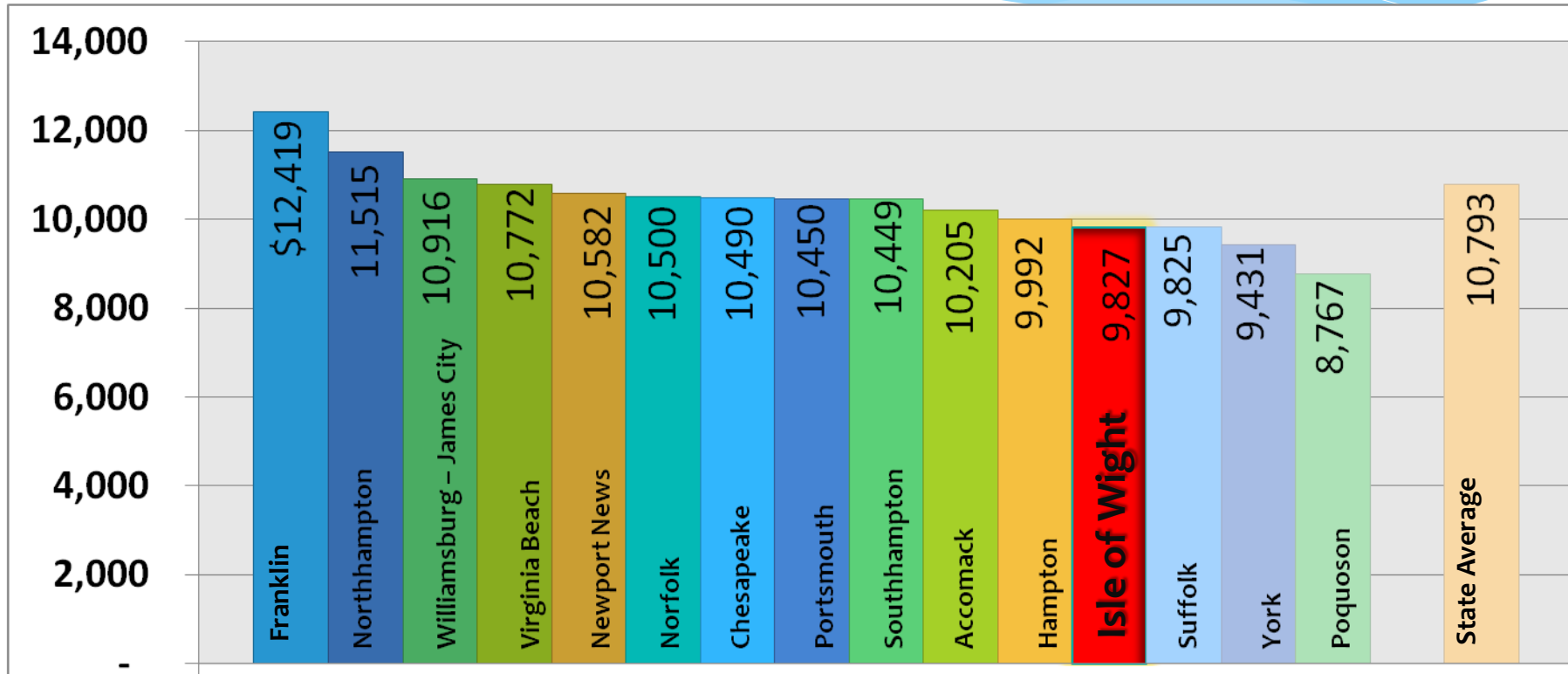


# Per Pupil Expenditures





## Comparative Per Pupil Expenditures - Region II

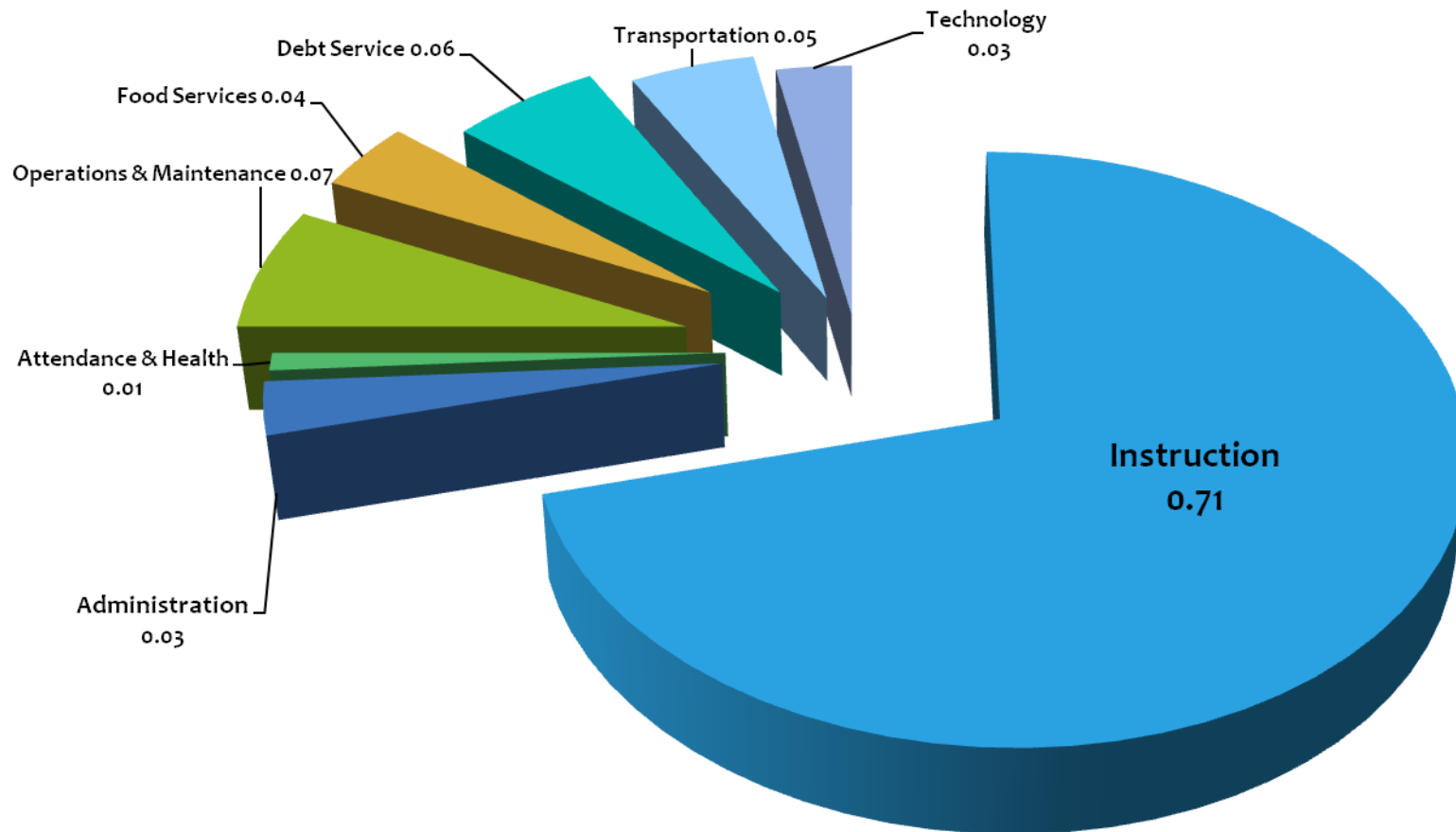


**\*\*FY 2011 - Per Pupil Expenditures All funding sources**

\*\*Last certified Per Pupil Analysis from VDOE



# Spending Trend – per dollar FY 2013





# General Operating Fund Revenues

	FY2012	FY2013	FY 2014	
	ACTUAL	BUDGET	PROPOSED	+/-
Commonwealth of Virginia	\$25,818,797	\$26,129,194	\$25,660,759	(\$468,435)
Isle of Wight County	\$26,268,626	\$27,693,445	\$27,693,445	\$0
Federal	\$444,078	\$411,444	\$395,000	(\$16,444)
Local Sources	\$316,537	\$169,600	\$135,000	(\$34,600)
TOTAL OPERATING REVENUE	\$52,848,038	\$54,403,683	\$53,884,204	(\$519,479)



# General Operating Fund Appropriations

	FY2012	FY2013	FY 2014		
	ACTUAL	BUDGET	Department Needs Based Requests	+/-	% increase
Instructional Services	\$36,400,545	\$39,800,035	\$42,468,057	\$2,668,022	7%
Admin., Attendance, & Health	\$2,028,627	\$2,387,329	\$2,510,516	\$123,187	5%
Pupil Transportation	\$3,184,468	\$3,037,017	\$3,320,594	\$283,577	9%
Operations & Maintenance	\$4,753,358	\$4,197,628	\$4,539,237	\$341,609	8%
Debt Service	\$3,020,826	\$3,631,104	\$3,861,251	\$230,147	6%
Technology	\$1,269,840	\$1,350,570	\$2,399,667	\$1,049,097	78%
TOTAL OPERATING APPROPRIATIONS	\$50,657,664	\$54,403,683	\$59,099,322	\$4,695,639	9%



# Instruction

## •Increase student achievement

- Meet new SOL challenges (Rigor/TEI)
- Ensure best instructional practices (PD)
- Expand availability of technology in elementary/middle schools
- Reinstate cyclical adoption of learning resources (Science)
- Provide equitable allocation of instructional materials funding
- Update/replace/maintain aging technology infrastructure
- Enhance security hardware/infrastructure
- Assure secure oversight/operation of online resources

**Instructional Services Team Budget Gap**

**\$2,216,100**

**Percentage of General Fund Total Budget – Instructional Services**

**72%**

**\*\*\*Includes Classroom Instruction, Technology, and Special Education**





# Pupil Transportation

## •Provide safe and secure modes of transportation for IWCS students

- Fleet of 81 buses – travels more than 1,100,000 miles
- State recommended life of buses is fifteen years
- 22% (18) of IWCS buses are fifteen years and over
- Cost of repairs, replacement parts and diesel fuel on the rise

### Transportation Budget Gap

Percentage of General Fund Total Budget – Transportation

**\$283,000**

**6%**

**\*\* School buses are included in the CIP**





# Operations & Maintenance

## •Address needs of aging buildings

- Increased frequency of repairs
- Increased cost of repairs and replacements
- Thwarts energy conservation efforts
- Impact of natural weather events

### Maintenance Budget Gap

Percentage of General Fund Total Budget – Maintenance

**\$340,000**

**8%**

**\*\* Maintenance items are included in the CIP**





# General Operating Fund Appropriations

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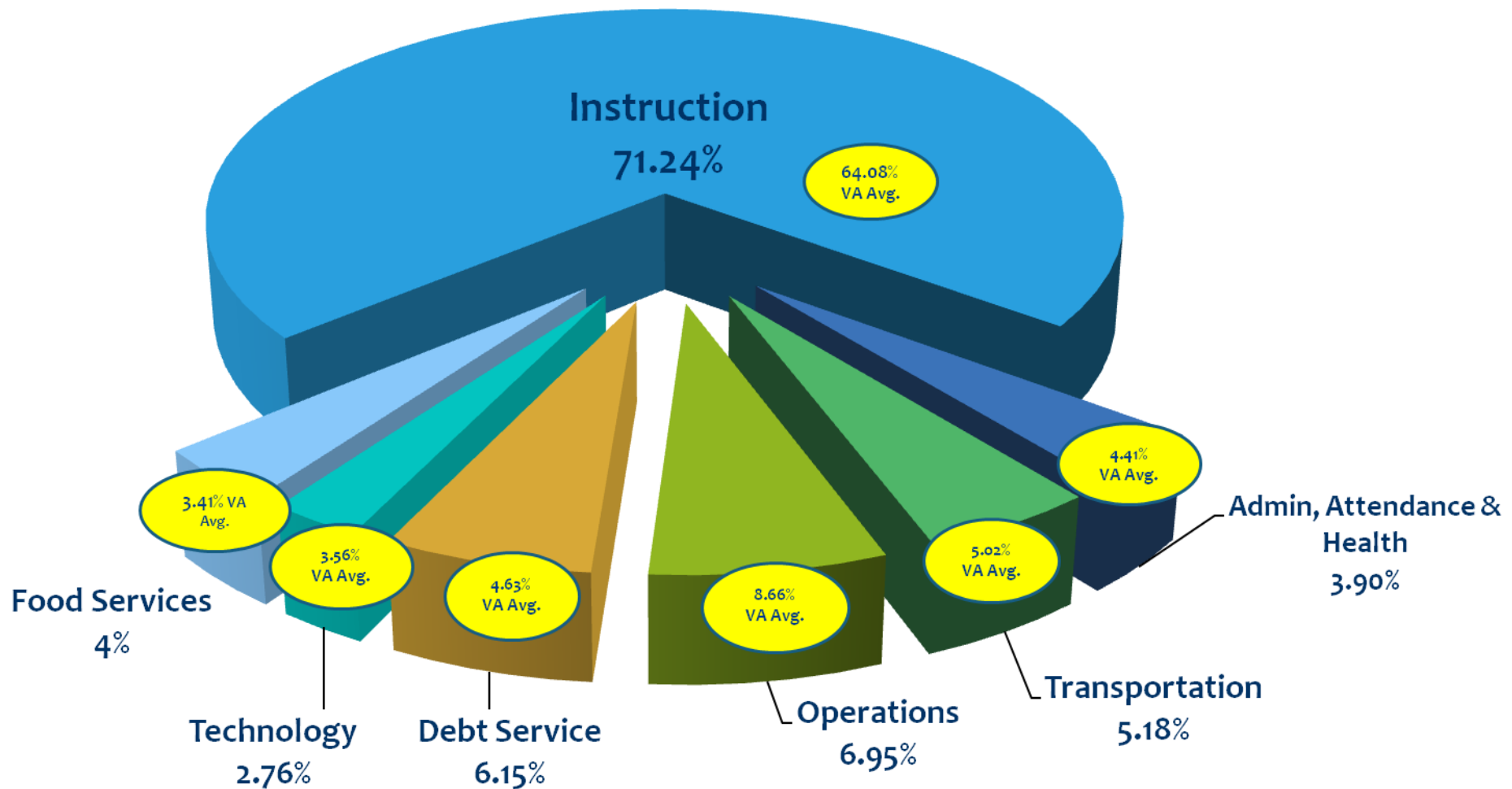


## Other Funds

	FY2012	FY2013	FY 2014	
	ACTUAL	BUDGET	PROPOSED	+/-
<b>FOOD SERVICES</b>				
Revenues	\$1,983,260	\$2,254,438	\$2,378,628	\$124,190
Expenses	\$2,060,057	\$2,254,438	\$2,378,628	\$124,190
<b>HEALTH INSURANCE</b>				
Revenues	\$4,294,623	\$5,125,000	\$5,415,000	\$290,000
Expenses	\$5,337,287	\$5,125,000	\$5,415,000	\$290,000
<b>GRANTS</b>				
Revenues	\$3,868,387	\$2,356,440	\$2,245,308	(\$111,132)
Expenses	\$3,946,196	\$2,356,440	\$2,245,308	(\$111,132)



# IWCS Budget (by Category)





# Balancing The Budget

## Revenues

Federal Funds

State Funds

Local Funds

## Expenditures

What We Need...

What We Require  
...

Health Care

VRS/Mandated  
Costs





# Challenges of Balancing





## **Efficiencies & Savings In Recent Years**

### **Examples of Personnel Related Savings & Reductions**

- Eliminated 74 FTE positions
- Reduced/Eliminated Employee Raises
  - (FY10 – 1.5% COLA, FY 11- No Staff, FY12-Teachers & 10Month, FY 13 – State mandated 5% increase to offset VRS contribution)
- Early Retirement Incentive offered
- Reduced Employer Share of Health Insurance Costs
- Reduced Stipends





## Examples of Non-Personnel Related Savings & Reductions

- Spending freeze implemented for all purchases
- Continued Reduced Facility Improvements
  - Reduced Departmental Budgets
- Continued Improved Vendor Contract Management



## Examples of Non-Personnel Related Savings & Reductions

- Delayed upgrades in Classroom Technology (LCD Projectors, Computers, etc) – over 8 years

- Delayed Textbook Adoption:

Math – 8 years

Language Arts – 9 years

History – 10 years

Science – 9 years

- Lengthened Bus Replacement Cycle from 12 – 15 years



# FY14 Unknown Budget Impacts

- **Sequestration (potential 6-10% reduction)** **Unknown**
- **Health care rates increased (potential 8-12%)** **Unknown**
- **Fuel Costs** **Unknown**
- **Potential State Reductions** **Unknown**
- **Request from County BOS to reduce budget by 5%**

**\$1,203,117 (excluding debt service)**





# FY14 Considerations

- **How do we close the budget gap?**
  - **department needs vs. the presented proposed budget**
- **Do we have the ability to recommend additional compensation?**
  - **2% pay increase for SOQ funded positions\* as presented by the Governor**
  - **Local cost in FY14 - \$337,000**
  - **Total FY 14 cost to provide salary increase - \$600,000**
  - **In FY15, additional funding of \$258,000 would be required from local funding to maintain the increased salary. Total FY 15 impact on local funding - \$600,000**

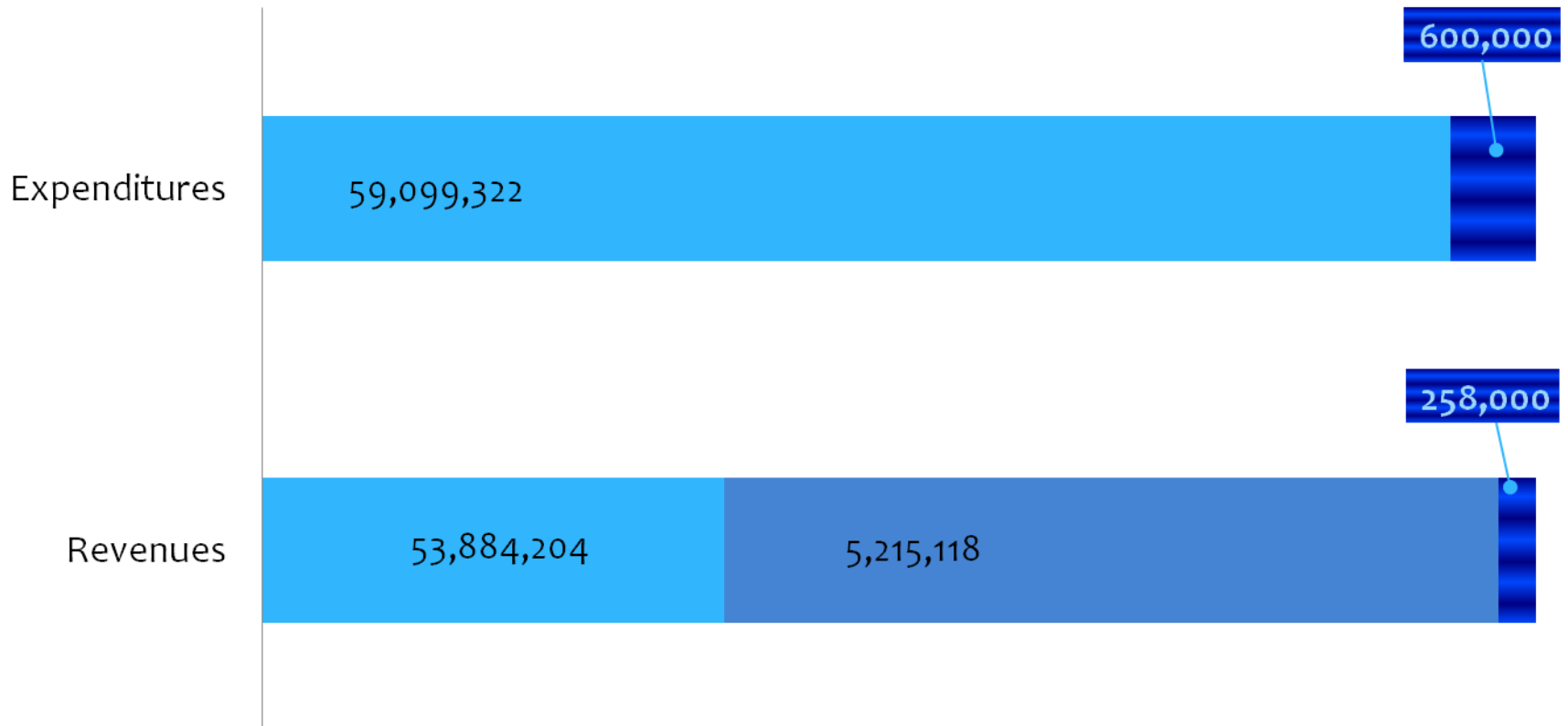
\*SOQ funded positions include teachers, guidance counselors, librarians, principals, assistant principals, and teacher aides.





# FY14 Considerations

- Department Requests
- Budgetary Gap
- Governor's Proposed 2% raise for SOQ funded positions





# A look ahead...

- **Increased funding** – Additional services with choices about allocation
  - **Special Education mandates**
  - **Rise in diesel fuel costs**
  - **Electricity costs**
  - **Technology infrastructure needs**
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- **Level funding** – not allow IWCS to continue same level of services and will directly impact classroom instruction and necessitate reductions in instructional and non-instructional staff.
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- **Reduction in Budget levels** – significant impact on classroom instruction and necessitates need to eliminate instructional and non-instructional staff. Effects from reductions will be wide ranging and impact all IWCS services and programs.

It shall be the duty of each division superintendent to prepare, with the approval of the school board, and submit to the governing body or bodies appropriating funds for the school division, by the date specified in § [15.2-2503](#), the estimate of the amount of **money deemed to be needed during the next fiscal year for the support of the public schools of the school division**